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NEW CONCEPTS HOLDINGS LIMITED

創業集團（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2221)

INSIDE INFORMATION PROFIT WARNING

This announcement is made by New Concepts Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and the potential investors that, based on the latest preliminary review and assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2021 (the “**Period**”), the Group is expected to record loss for the Period of approximately HK\$4.00 million as compared with profit for the six months ended 30 September 2020 (the “**Corresponding Period**”) of approximately HK\$2.36 million. Such change from profit to loss was primarily attributable to, among others, the following reasons:

- (i) Recognition of gain on disposal of Taiyuan Plant amounting to approximately HK\$14.20 million for the Period, where the disposal of subsidiaries amounting to HK\$44.29 million for the Corresponding Period;
- (ii) Recognition of impairment of approximately HK\$16.42 million for Loudi Plant with reference to the sales proceeds and its carrying amount (classified as assets/liabilities of a disposal group classified as held for sale) in the Corresponding Period;

- (iii) The increase in costs of workforce labour and construction materials including concrete and steel etc., during the Period; and
- (iv) One-off recognition of government grant of approximately HK\$4.05 million from Employment Support Scheme under the Anti-epidemic Fund launched by the Hong Kong government in the Corresponding Period (the Period: nil).

The information contained in this announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group for the Period as well as the information currently available to the Board, which may be subject to further adjustments after further internal review by the Board and review by the audit committee of the Company. Details of the financial performance of the Group for the Period will be included in the interim results announcement of the Company.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
New Concepts Holdings Limited
Zhu Yongjun
Chairman and Executive Director

Hong Kong, 11 November 2021

As at the date of this announcement, the executive Directors are Mr. Zhu Yongjun, Mr. Pan Yimin and Mr. Lee Tsi Fun Nicholas; the non-executive Directors are Mr. Sui Guangyi, Dr. Ge Xiaolin and Dr. Zhang Lihui; and the independent non-executive Directors are Mr. Lo Chun Chiu, Adrian, Dr. Tong Ka Lok and Mr. Choy Wai Shek, Raymond, MH, JP.